Air Pollution Control
Federal Clean Air Act (CAA) Title V Permit to Operate
Statement of Basis for Draft Permit No. V-UO-000026-2011.00

XTO Energy, Inc.
River Bend Dehydration Site
Uintah and Ouray Reservation
Uintah County, Utah

I. Facility Information

A. Location

The River Bend Dehydration Site (River Bend), owned and operated by XTO Energy, Inc. (XTO), is located on Indian country lands within the Uintah and Ouray Indian Reservation in northeastern Utah. The exact locations are the following:

- River Bend: Latitude 39.94851N, Longitude 109.77057W
- Tap 1 Compressor Station: Latitude 39.95027N, Longitude 109.77465W
- RBU 6-15E Wellsite: Latitude 39.94851N, Longitude 109.77057W
- RBU 7-15E Wellsite: Latitude 39.95026N, Longitude 109.76701W
- RBU 11-15E Wellsite: Latitude 39.94478N, Longitude 109.76979W

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B. Contacts

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C. Description of Operations

Natural gas produced from area wells is compressed at existing offsite locations up to a line pressure of 850 to 1,000 pounds per square inch gauge (psig) and then sent to the River Bend natural gas dehydrator site through 6" and 10" gathering flowlines. Once the gas enters the site, it flows through two (2) two-phase separators in order to reduce water and condensable liquids content in the gas stream, prior to entry into the triethylene glycol (TEG) dehydration system. The liquid produced from the inlet separators is then sent to a 30,000-gallon pressurized flash separator. The purpose of the flash separator is to flash the high-pressured liquids and route the flash gas back to the high-pressure gathering system, thereby eliminating the flash emissions from being vented to the atmosphere. The pressurized flash separator is then set to discharge the separated liquids at a pressure of approximately 50 psig into either of the onsite 400-barrel (bbl) atmospheric liquid storage tanks. The 400-bbl liquid storage tanks are used for temporary storage prior to the liquids being hauled offsite by tanker truck.

Following the inlet separation, the gas is discharged into the TEG natural gas dehydration system for further water removal from the natural gas stream. The TEG natural gas dehydration system consists of a 45 million standard cubic feet per day (MMscfd)-capacity natural gas TEG dehydration process still vent, a 1.5 million British thermal units per hour (MMBTU/hr) natural gas-fired process heater, and a TEG regenerator. The TEG natural gas dehydration system emissions are controlled by a thermal oxidizer. The TEG natural gas dehydration system utilizes a benzene, toluene, ethylbenzene and xylene (BTEX) emissions control system that captures vapors from the still vent and the flash tank and sends the vapors to the thermal oxidizer for destruction. Following dehydration, the natural gas stream leaves the site via a metered sales pipeline. The station has on-site electrical power supplied by a 65 kilowatt (kW) Capstone natural-gas fired microturbine-driven generator. In addition, the pneumatic control devices are operated by plant air supplied by the on-site electric driven air compressor.

Other production equipment located at River Bend consists of three production wellsites (RBU 6-15E, RBU 7-15E, and RBU 11-15E). Each wellsite includes a $\leq$ 400-bbl storage tank, natural gas-fired heaters, as well as minimal fugitive and truck loading emissions. The RBU 11-15E wellsite also operates a small 0.20 MMscfd capacity TEG natural gas dehydration system. The RBU 6-15E wellsite is located within the property boundaries of River Bend but does not discharge directly into River Bend. The RBU 7-15E and RBU 11-15E wellsites are located on a separate surface sites within a quarter mile of River Bend. The gas produced at the three (3) wellsites enters the common field gathering system and ultimately into off-site compressor stations. One of these compressor stations, the Tap-1 Compressor Station (Tap-1), is also located within a quarter mile of River Bend and consists of two (2) natural gas-fired compression

engines, two (2) condensate tanks with natural gas-fired heaters, truck loading emissions, and fugitive emissions.

D. Emission Points

The Title V Operating Permit Program at 40 CFR part 71 (Part 71) allows the Permittee to separately list in the permit application units or activities that qualify as "insignificant" based on potential emissions below 2 tons per year (tpy) for all regulated pollutants that are not listed as hazardous air pollutants (HAP) under section 112(b) and below 1,000 lbs/year or the de minimis level established under section 112(g), whichever is lower, for HAP. However, the application may not omit information needed to determine the applicability of or to impose, any applicable requirement. Units and activities that qualify as "insignificant" for the purposes of the Part 71 application are in no way exempt from applicable requirements or any requirements of the Part 71 permit.

Tables 1 and 2 list emission units and emission generating activities, including any air pollution control devices.

Table 1 – Emission Units and Emission Generating Activities*

Unit I.D.	Description	Control Equipment
RBD-1	45 MMscfd TEG Dehydration Unit (River Bend) Serial #: 8156 Installed: 1/17/2010	Thermal Oxidizer
RBT-1	400-bbl Condensate Storage Tank (River Bend) Serial #: 1764 Installed: 12/15/2009	None
RBT-2	400-bbl Condensate Storage Tank (River Bend) Serial #: 1765 Installed: 12/15/2009	None
RBL-1	Condensate Truck Loading Emissions (River Bend)	None
RBF-1	Fugitive Emissions (River Bend)	None
RBU 6-15E F-1	Fugitive Emissions (RBU 6-15E)	None
RBU 7-15E F-1	Fugitive Emissions (RBU 7-15E)	None
RBU 11-15E D-1	0.20 MMscfd TEG Dehydration Unit (RBU 11-15E) Serial #: Unknown Installed: 2007	None
RBU 11-15E F-1	Fugitive Emissions (RBU 11-15E)	None
RBU 11-15E P-1	Pneumatic Pump Emissions (RBU 11-15E)	None
T1C-1	Caterpillar 3516 LE; 1,340 hp (Tap-1) 4-Stroke Lean-Burn Reciprocating Internal Combustion Engines Natural Gas-Fired Serial No. 4EK03995 Installed: 7/1/2013 Mfg: 1/1/2004	Oxidation Catalyst (not enforceable)
T1C-2	Caterpillar 3516 LE; 1,340 hp (Tap-1) 4-Stroke Lean-Burn Reciprocating Internal Combustion Engines Natural Gas-Fired Serial No. 4EK03582 Installed: 7/18/2013 Mfg: 8/12/2001	Oxidation Catalyst (not enforceable)

Unit I.D.	Description	Control Equipment
T1T-1	300-bbl* Condensate Storage Tank (Tap-1) Serial #: 2024 Installed: 6/18/2012	None
T1T-2	300-bbl* Condensate Storage Tank (Tap-1) Serial #: 8S06401-02 Installed: 6/18/2012	None
T1P-1 and T1P-2	Two (2) Heat Trace Pneumatic Pumps (Tap-1)	None
T1F-1	Fugitive Emissions (Tap-1)	None

* Mfg = Manufactured; hp = horsepower; bbl = barrel; MMscfd = million standard cubic feet per day.

Table 2 – Insignificant Emission Units*

Description
Capstone 65 kW Microturbine Genset (River Bend)
1.0 MMBtu/hr** TEG Dehydration Unit Reboiler (River Bend)
0.25 MMBtu/hr** Tank Heater #1 (River Bend)
0.25 MMBtu/hr**Tank Heater #2 (River Bend)
0.25 MMBtu/hr** Natural Gas-Fired Separator Heater (River Bend)
3.0 MMBtu/hr** Heater for Thermal Oxidizer (River Bend)
Pipeline Pigging Operations (River Bend)
400-bbl slop tank (RBU 6-15E)
0.25 MMBtu/hr Tank Heater (RBU 6-15E)
Condensate Truck Loading (RBU 6-15E)
0.75 MMBtu/hr Separator Heater (RBU 6-15E)
0.75 MMBtu/hr** Separator Heater (RBU 7-15E)
0.25 MMBtu/hr** Tank Heater (RBU 7-15E)
Condensate Truck Loading (RBU 7-15E)
400-bbl slop tank (RBU 7-15E)
0.175 MMBtu/hr** TEG Dehydration Unit Reboiler (RBU 11-15E)
0.25 MMBtu/hr** Separator Heater (RBU 11-15E)
0.25 MMBtu/hr** Tank Heater (RBU 11-15E)
Condensate Truck Loading (RBU 11-15E)
300-bbl Slop Tank (RBU 11-15E)
Capstone 65 kW Microturbine Genset (Tap-1)
0.25 MMBTU/hr** Separator Heater (Tap-1)
Two (2) 0.25 MMBTU/hr Tank Heaters (Tap-1)
Condensate Truck Loading Emissions (Tap-1)
Compressor Blowdown Emissions (Tap-1)

*Insignificant emission units can change at the facility as long as the new or replacement units meet the criteria for insignificance, and XTO supplies information as required under 40 CFR part 71 and this permit. The insignificant emission unit status does not exempt these emission units from the requirements of any standards that may apply under 40 CFR parts 60 or 63.

** MMBtu/hr = million British Thermal units per hour.

E. Potential to Emit

Pursuant to 40 CFR 52.21, potential to emit (PTE) is defined as the maximum capacity of a stationary source to emit a pollutant under its physical and operational design. Any physical or operational limitation on the capacity of the source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored or processed, shall be treated as part of its design if the limitation, or the effect it would have on emissions, is federally enforceable. Independently enforceable applicable

requirements are considered enforceable to the extent that the source is in compliance with the standard. In addition, beneficial reductions in non-targeted pollutants resulting from compliance with an independently enforceable applicable requirement may be counted towards PTE provided the emission reduction of the non-targeted pollutant is enforceable as a practical matter and compliance is being met. See the 1995 guidance memo signed by John Seitz, Director of the Office of Air Quality Planning and Standards titled, "Options for Limiting Potential to Emit of a Stationary Source under Section 112 and Title V of the Clean Air Act."[1]

XTO reported the controlled emission unit-specific PTE in their Part 71 permit application. The controlled emissions in Table 3 are based on the legally and practically enforceable requirements set forth in this proposed permit.

Table 3 – Potential-to-Emit with Legally and Practically Enforceable Controls

Regulated Air Pollutants (tpy)											
Unit ID	**NO_X***	**CO***	**VOC***	**PM***	**SO_2***	**CH_2O***	**Total HAP***	**CO_2***	**CH_4* (as CO_2e)**	**N_2O* (as CO_2e)**	**CO_2e***
RBD-1 w/Thermal Oxidizer	0.6	2.9	14.6	0.1	0.0	0.0	10.9	962.8	6.3	0.0	6.3
RBT-1	0.0	0.0	4.3	0.0	0.0	0.0	0.2	0.0	31.4	0.0	31.4
RBT-2	0.0	0.0	4.3	0.0	0.0	0.0	0.2	0.0	31.4	0.0	31.4
RBL-1	0.0	0.0	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RBF-1	0.0	0.0	5.7	0.0	0.0	0.0	0.1	0.2	333.9	0.0	334.1
RBU 6-15E F-1	0.0	0.0	3.9	0.0	0.0	0.0	0.1	0.1	214.0	0.0	214.1
RBU 6-15E P-1	0.0	0.0	3.9	0.0	0.0	0.0	0.1	0.1	214.0	0.0	214.1
BU 7-15E F-1	0.6	2.9	14.6	0.1	0.0	0.0	10.9	962.8	6.3	0.0	6.3
RBU 11-15E D-1	0.0	0.0	10.5	0.0	0.0	0.0	3.9	0.1	45.0	0.0	45.1
RBU 11-15E F-1	0.0	0.0	3.9	0.0	0.0	0.0	0.1	0.1	214.0	0.0	214.1
RBU 11-15E P-1	0.0	0.0	5.1	0.0	0.0	0.0	0.1	0.4	1,057.4	0.0	1,057.8
T1C-1	19.4	32.3	4.9	0.0	0.0	3.8	4.4	4,968.0	1,411.4	0.0	6,379.3
T1C-2	16.7	29.4	4.7	0.0	0.0	3.2	3.8	4,197.1	958.2	0.0	5,155.3
T1T-1	0.0	0.0	2.2	0.0	0.0	0.0	0.1	0.0	24.0	0.0	24.0
T1T-2	0.0	0.0	2.2	0.0	0.0	0.0	0.1	0.0	24.0	0.0	24.0

1 The 1995 guidance memo is available at [HYPERLINK "https://www.epa.gov/enforcement/options-limiting-potential-emit-pte-stationary-source-under-section-112-and-title-v"]

Regulated Air Pollutants (tpy)											
Unit ID	**NO_X***	**CO***	**VOC***	**PM***	**SO_2***	**CH_2O***	**Total HAP***	**CO_2***	**CH_4* (as CO_2e)**	**N_2O* (as CO_2e)**	**CO_2e***
T1P-1 and T1P-2	0.0	0.0	15.7	0.0	0.0	0.0	0.1	0.5	2,159.4	0.0	2,160.0
T1F-1	0.0	0.0	2.5	0.0	0.0	0.0	0.0	0.1	80.7	0.0	80.8
IEUs*	1.9	5.0	8.4	0.0	0.0	0.0	0.1	1,990.9	304.0	1.1	2,296.0
TOTAL	**38.6**	**69.6**	**99.2**	**0.1**	**0.0**	**7.0**	**24.3**	**12,120.4**	**7,109.1**	**1.1**	**18,267.8**

*NO_X = nitrogen oxide; CO = carbon monoxide; VOC = volatile organic compound; PM = particulate matter; SO_2 = sulfur dioxide; CH_2O = formaldehyde; HAP = hazardous air pollutant; CO_2 = carbon dioxide; CH_4 = methane; N_2O = nitrous oxide; CO_2e = equivalent CO_2; IEU = insignificant emission unit.

II. Applicable Requirement Review

The following sections discuss the information provided by XTO in their Part 71 application, certified to be true and accurate by the Responsible Official of this facility.

A. 40 CFR 52.21: Prevention of Significant Deterioration

The Prevention of Significant Deterioration (PSD) Permit Program at 40 CFR part 52 is a preconstruction review requirement of the CAA that applies to proposed projects that are sufficiently large (in terms of emissions) to be a "major" stationary source or "major modification" of an existing stationary source. Source size is defined in terms of PTE, which, as explained previously, is its capability at maximum design capacity to emit a pollutant, except as constrained by existing legally and practically enforceable conditions applicable to the source. A new stationary source or a modification to an existing minor stationary source is major if the proposed project has the PTE of any pollutant regulated under 40 CFR part 52 in amounts equal to or exceeding specified major source thresholds, which are 100 tpy for 28 listed industrial source categories and 250 tpy for all other sources. PSD also applies to modifications at existing major sources that cause a "significant net emissions increase" at that source. Significance levels for each pollutant are defined in the PSD regulations at 40 CFR 52.21.

According to the emissions information provided by XTO in their Part 71 application, this facility is currently not a major stationary source with respect to the PSD Permit Program, as the PTE of any pollutant does not exceed the thresholds of criteria pollutants regulated under the PSD Permit Program.

B. Source Determination

At 40 CFR 71.2, a major source is generally defined as any stationary source (or any group of stationary sources) that is located on one or more contiguous or adjacent properties, is under common control of the same person (or persons under common control)), and belongs to a single major industrial grouping. On June 3, 2016, the EPA published a final rule clarifying when oil and natural gas sector equipment and activities must be deemed a single source when determining whether major source permitting programs (PSD and New Source Review

preconstruction permit programs, and the Part 71 Permit Program) apply (81 FR 35622). By defining the term "adjacent," the rule specifies that equipment and activities in the oil and natural gas sector that are under common control will be considered part of the same source if they are located on the same surface site or on individual surface sites that share equipment and are within a quarter mile of each other.

According to information provided by XTO, the RBU 7-15E wellsite, RBU 11-15E wellsite, Tap-1 Compressor Station, and River Bend are located within a quarter mile of River Bend and share equipment with River Bend. In addition, the RBU 6-15E wellsite is located on the same surface site as River Bend. Therefore, the EPA has determined that the RBU 6-15E wellsite, RBU 7-15E wellsite, RBU 11-15E wellsite, and Tap-1 Compressor Station are adjacent to River Bend and thus part of the same stationary source. A more detailed source determination is included in the docket for this permit action.

C. 40 CFR Part 60, Subpart A: General Provisions

This subpart applies to the owner or operator of any stationary source which contains an affected facility, the construction or modification of which is commenced after the date of publication of any standard in 40 CFR part 60 (Part 60). The general provisions under subpart A apply to sources that are subject to the specific subparts of Part 60.

As explained below, River Bend is not subject to any specific subparts of Part 60; therefore, the General Provisions of Part 60 do not apply.

D. 40 CFR Part 60, Subpart GG: Standards of Performance for Stationary Gas Turbines

This rule applies to stationary gas turbines, with a heat input at peak load equal to or greater than 10.7 gigajoules per hour (10 MMBtu/hr), that commenced construction, modification or reconstruction after October 3, 1977.

Based on the information provided by XTO in their Part 71 application, the stationary gas turbines located at River Bend and Tap-1 Compressor Station have a maximum heat input less than 10.7 gigajoules per hour; therefore, this rule does not apply. The maximum heat input for each of the Capstone Microturbines is 0.2 MMBtu/hr.

E. 40 CFR Part 60, Subpart Kb: Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for which Construction, Reconstruction, or Modification Commenced After July 23, 1984

This subpart establishes requirements for controlling VOC emissions from storage vessels with a capacity greater than or equal to 75 cubic meters that are used to store volatile organic liquids for which construction, reconstruction or modification commenced after July 23, 1984.

Based on the information provided by XTO in their Part 71 application, the condensate tanks at River Bend, RBU 6-15E wellsite, RBU 7-15E wellsite, RBU 11-15E wellsite, and Tap-1

Compressor Station are exempt from these requirements because they have a capacity of less than 10,000 bbls.

F. 40 CFR Part 60, Subpart KKK: Standards of Performance for Equipment Leaks of VOC from Onshore Natural Gas Processing Plants for Which Construction, Reconstruction, or Modification Commenced After January 20, 1984, and on or Before August 23, 2011

This subpart establishes requirements for controlling fugitive VOC emissions from onshore natural gas processing plants. It applies to natural gas processing plants that commenced construction, reconstruction, or modification after January 20, 1984 and on or before August 23, 2011.

Based on the information provided by XTO in their Part 71 application, River Bend, RBU 6-15E wellsite, RBU 7-15E wellsite, RBU 11-15E wellsite, and Tap-1 Compressor Station are not natural gas processing plants, therefore the facility is not subject to this subpart.

G. 40 CFR Part 60, Subpart LLL: Standards of Performance for SO_2 Emissions from Onshore Natural Gas Processing for Which Construction, Reconstruction, or Modification Commenced After January 20, 1984, and on or Before August 23, 2011

This subpart applies to sweetening units and sulfur recovery units at onshore natural gas processing facilities. As defined in this subpart, sweetening units are process devices that separate hydrogen sulfide (H_2S) and CO_2 from a sour natural gas stream. Sulfur recovery units are defined as process devices that recover sulfur from the acid gas (consisting of H_2S and CO_2) removed by a sweetening unit.

Based on the information provided by XTO in their Part 71 application, neither sweetening nor sulfur recovery are performed at the facility. Therefore, this facility is not subject to this subpart.

H. 40 CFR Part 60, Subpart JJJJ: Standards of Performance for Stationary Spark Ignition Internal Combustion Engines

This subpart establishes emission standards and compliance requirements for the control of emissions from stationary spark ignition internal combustion engines that commenced construction, modification or reconstruction after June 12, 2006, and are manufactured on or after specified manufacture trigger dates. The manufacture trigger dates are based on the engine type, fuel used and maximum engine horsepower.

Based on the information provided by XTO in their Part 71 application, the engines operating at the facility were manufactured prior to the manufacture trigger dates in the rule (January 1, 2008 for engines T1C-1 and T1C-2). Therefore, this subpart does not apply.

I. 40 CFR Part 60, Subpart KKKK: Standards of Performance for Stationary Combustion Turbines

This subpart establishes emission standards and compliance schedules for the control of emissions from stationary combustion turbines that commenced construction, modification or reconstruction after February 18, 2005. The rule applies to stationary combustion turbines with a heat input at peak load equal to or greater than 10.7 gigajoules (10 MMBtu) per hour.

Based on the information provided by XTO in their Part 71 application, the stationary gas turbines located at River Bend and the Tap-1 Compressor Station have a maximum heat input less than 10.7 gigajoules per hour; therefore, this rule does not apply. The maximum heat input for each of the Capstone Microturbines is 0.2 MMBtu/hr.

J. 40 CFR Part 60, Subpart OOOO: Standards of Performance for Crude Oil and Natural Gas production, Transmission, and Distribution After August 23, 2011, and on or Before September 18, 2015

This subpart establishes emission standards for the control of VOC and SO_2 emissions from affected facilities that commence construction, modification or reconstruction after August 23, 2011 and on or before September 18, 2015. Affected facilities include, but are not limited to well completions, centrifugal compressors, reciprocating compressors, pneumatic controllers, storage vessels and sweetening units.

Based on the information provided by XTO in their Part 71 application, the two (2) 400-bbl storage vessels at the RBU 6-15E wellsite and RBU 7-15E wellsite commenced construction after August 23, 2011 and prior to September 18, 2015. However, according to XTO, the emissions from the storage vessels are below 6 tpy and do not satisfy the criteria for an affected source under the rule. XTO shall maintain records of each VOC emissions determination made under §60.5365(e) as specified in §60.5420(c)(5)(ii).

Based on the information provided by XTO in their Part 71 application, all of the remaining current equipment at River Bend, RBU 6-15E wellsite, RBU 7-15E wellsite, RBU 11-15E wellsite, and Tap-1 Compressor Station predates the applicability date for this subpart. Therefore, this subpart does not apply to any other emission units.

K. 40 CFR Part 60, Subpart OOOOa: Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015

This subpart establishes emission standards for the control of VOC and SO_2 emissions from affected facilities that commence construction, modification or reconstruction after September 18, 2015. Affected facilities include, but are not limited to well completions, centrifugal compressors, reciprocating compressors, pneumatic controllers, storage vessels and sweetening units.

Based on the information provided by XTO in their Part 71 application, the current equipment at River Bend, RBU 6-15E wellsite, RBU 7-15E wellsite, RBU 11-15E wellsite, and Tap-1 Compressor Station predates the applicability date for this subpart. Therefore, this subpart does not apply.

L. 40 CFR Part 63, Subpart A: National Emission Standards for Hazardous Air Pollutants for Source Categories, General Provisions

The requirements of 40 CFR part 63, subpart A apply to sources that are subject to the specific subparts of 40 CFR part 63.

As explained below, River Bend is subject to 40 CFR part 63, subpart HH, National Emission Standards for Hazardous Air Pollutants from Oil and Natural Gas Production Facilities and subpart ZZZZ, National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines; therefore, the General Provisions of 40 CFR part 63 apply.

M. 40 CFR Part 63, Subpart HH: National Emission Standards for Hazardous Air Pollutants from Oil and Natural Gas Production Facilities

This subpart establishes emission standards for the control of HAP emissions from affected units located at natural gas production facilities that process, upgrade or store natural gas prior to the point of custody transfer, or that process, upgrade or store natural gas prior to the point at which natural gas enters the natural gas transmission and storage source category or is delivered to a final end user. The affected units are glycol dehydration units, storage vessels with the potential for flash emissions (as defined in the rule) and the group of ancillary equipment and compressors intended to operate in volatile HAP service which are located at natural gas processing plants.

Based on the information provided by XTO in their Part 71 application, River Bend, RBU 6-15E wellsite, RBU 7-15E wellsite, RBU 11-15E wellsite, and the Tap-1 compressor station do not operate any storage vessels with the potential for flash emissions (as defined in the rule). Uncontrolled emissions from dehydration unit RBD-1 exceed the major source thresholds for HAP. Therefore, dehydration unit RBD-1 is subject to the major source requirements of this subpart for large glycol dehydration units.

As defined in §63.761, emissions from processes, operations or equipment that are not part of the same facility, as defined in this section, shall not be aggregated to determine whether such emission points are major sources. Therefore, the RBU 11-15E wellsite is an area source under the rule and dehydration unit RBU 11-15E D-1 is subject to the area source requirements of the rule. However, dehydration unit RBU 11-15E D-1 meets the exemption criteria in §63.764(e) because, according to the information provided by XTO in their Part 71 application, the actual annual average flowrate of natural gas to the dehydration unit is less than 85 thousand standard cubic meters per day. XTO is subject to the recordkeeping requirements for the exemption criteria at §63.774(d)(1).

N. 40 CFR Part 63, Subpart YYYY: National Emission Standards for Hazardous Air Pollutants from Stationary Combustion Turbines

This rule establishes national emission limitations and work practice standards for HAP emitted from Stationary Combustion Turbines. The affected source includes the stationary combustion turbine located at a major source of HAP emissions.

As defined in §63.6090(b)(3), an existing, new or reconstructed stationary combustion turbine with a rated peak power output of less than 1.0 megawatt (MW) does not have to meet the requirements of this subpart. Based on the information provided by XTO in their Part 71 application, although River Bend is a major source of HAP emissions, the 65 kW Capstone Microturbine Generator at the facility is exempt from the requirements of this subpart, because according to XTO it has a peak power output of less than 1.0 MW. This subpart does not apply to the Captone Microturbine Generator at the Tap-1 Compressor Station because the Tap-1 Compressor Station is an area source of HAP emissions.

O. 40 CFR Part 63, Subpart ZZZZ (MACT ZZZZ): National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines

This subpart establishes emission standards and operating limitations for the control of HAP emissions from spark ignition and compression ignition reciprocating internal combustion engines.

Based on the information provided by XTO in their Part 71 application, there are no reciprocating internal combustion engines operating at River Bend, RBU 6-15E wellsite, RBU 7-15E wellsite or RBU 11-15E wellsite. According to the regulations at §63.6585(b), a major source of HAP emissions is a plant site that emits or has the potential to emit any single HAP at a rate of 10 tons (9.07 megagrams) or more per year or any combination of HAP at a rate of 25 tons (22.68 megagrams) or more per year, except that for oil and natural gas production facilities, a major source of HAP emissions is determined for each surface site. Since the Tap-1 compressor station is not located on the same surface site as River Bend, the emissions from neither River Bend nor the wellsites shall be aggregated for the purposes of determining a major source of HAP. Therefore, the reciprocating internal combustion engines at the Tap-1 compressor station (T1C-1 and T1C-2) are subject to the area source requirements of this subpart.

P. 40 CFR Part 63, Subpart DDDDD (Boiler MACT): National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters

This rule establishes national emission limitations and operating limitations for HAP emitted from new and existing industrial boilers, institutional boilers, commercial boilers and process heaters that are located at major sources of HAP. For the purposes of this subpart, a major source of HAP is as defined in §63.2, except that for oil and natural gas production facilities, a major source of HAP is as defined in §63.761. Boilers or process heaters that combust natural gas for fuel or have a maximum designed heat input capacity less than 10 MMBtu/hr are subject to work

practice standards in lieu of emission limits. For the purposes of this subpart, an affected unit is an existing unit if it was constructed prior to June 4, 2010.

The dehydration unit reboiler and heaters at River Bend meet the definition of process heaters in the rule. However, because River Bend is subject to the major source requirements of 40 CFR part 63, subpart HH, the EPA's "once in, always in" policy[2] allows XTO to account for the reductions of PTE achieved through compliance with previous MACT standards prior to the first compliance date of subsequent MACT standards. Based on the information provided by XTO in their Part 71 application, the PTE at River Bend with federally enforceable controls was below major source thresholds for HAP as of the first compliance date of this subpart (January 1, 2016 for existing process heaters and April 1, 2013 for new process heaters). Therefore, River Bend does not meet the definition of a major source under the rule and this subpart does not apply. This subpart does not apply to the RBU 6-15E wellsite, RBU 7-15E wellsite, RBU 11-15E wellsite, or Tap-1 compressor station because they do not meet the definition of a major source under the rule.

Q. 40 CFR Part 63, Subpart JJJJJJ (Boiler MACT (for Area Sources)): National Emission Standards for Hazardous Air Pollutants for Area Sources: Industrial, Commercial, and Institutional Boilers[TC "40 CFR Part 63, Subpart JJJJJJ (Boiler MACT (for area sources)): National Emission Standards for Hazardous Air Pollutants for Area Sources: Industrial, Commercial, and Institutional Boilers." \f C \l "3"]

This rule establishes national emission standards and operating limitations for HAP emitted from new and existing industrial boilers, institutional boilers, and commercial boilers that are fueled by coal, biomass, or oil and are located at area sources of HAP. For the purposes of this subpart, an affected unit is an existing unit if it was constructed prior to June 4, 2010.

Based on the information provided by XTO in their Part 71 application, there are no industrial, commercial or institutional boilers located at River Bend, RBU6-15E wellsite, RBU 7-15E wellsite, RBU 11-15E wellsite, and Tap-1 compressor station as defined in the rule. Therefore, subpart JJJJJJ does not apply.

R. 40 CFR Part 64: Compliance Assurance Monitoring

Pursuant to requirements concerning enhanced monitoring and compliance certification under the CAA, the EPA promulgated regulations to implement compliance assurance monitoring (CAM) for major stationary sources of air pollution, for purposes of Title V permitting that are required to obtain operating permits under Part 71. The rule requires owners or operators of such sources to conduct monitoring that provide a reasonable assurance of compliance with applicable requirements under the CAA. The effective date of this rule is November 21, 1997.

1. CAM Applicability

According to §64.2(a), CAM applies to <u>each</u> pollutant specific emission unit (PSEU) located at a

[2] See EPA's May 16, 1995 guidance document titled "Potential to Emit for MACT Standards -- Guidance on Timing Issues"

major source which is required to obtain a Part 71 permit if the unit satisfies all of the following criteria:

(a) The unit is subject to an emission limitation or standard for the applicable regulated air pollutant other than an emissions limitation or standard that is exempt under §64.2(b)(1);

(b) The unit uses a control device to achieve compliance with any such limit or standard; and

(c) The unit has pre-control device emissions of the applicable regulated pollutant that are equal to or greater than 100 percent of the amount, in tpy, required for a source to be classified as a major Title V source.

2. CAM Plan Submittal Deadlines

(a) Large pollutant-specific emissions units. A CAM plan submittal for all PSEUs with the PTE (taking into account control devices) of any one regulated air pollutant in an amount equal to or greater than 100 percent of the amount, in tpy, required for a source to be classified as a major source, is due at the following times:

(i) On or after April 20, 1998, if by that date, a Part 71 application has either:

(A) Not been filed; or
(B) Not yet been determined to be complete.

(ii) On or after April 20, 1998, if a Part 71 permit application for a significant modification is submitted with respect to those PSEUs for which the requested permit revision is applicable; or

(iii) Upon application for a renewed Part 71 permit and a CAM plan has not yet been submitted with an initial or a significant modification application, as specified above.

(b) Other pollutant-specific emissions units. A CAM Plan must be submitted for all PSEUs that are not large PSEUs, but are subject to this rule, upon application for a Part 71 renewal permit.

Based on the information provided by XTO in their Part 71 application, dehydration unit RBD-1 is a PSEU with pre-controlled emissions that equal or exceed 100 percent of VOC and HAP thresholds. However, RBD-1 is subject to the major source requirements of 40 CFR part 63, subpart HH and thus meets the exemption criteria of §64.2(b)(1). Since no other PSEUs at the facility have pre-controlled emissions that exceed or equal 100 percent of major source thresholds, River Bend is not subject to CAM requirements.

S. 40 CFR Part 68: Chemical Accident Prevention Provisions

This rule applies to stationary sources that manufacture, process, use, store or otherwise handle

more than the threshold quantity of a regulated substance in a process. Regulated substances include 77 toxic and 63 flammable substances which are potentially present in the natural gas stream entering the facility and in the storage vessels located at the facility. The quantity of a regulated substance in a process is determined according to the procedures presented under §68.115. Sections 68.115(b)(l) and (2)(i) indicate that toxic and flammable substances in a mixture do not need to be considered when determining whether more than a threshold quantity is present at a stationary source if the concentration of the substance is below one percent by weight of the mixture. Section 68.115(b)(2)(iii) indicates that prior to entry into a natural gas processing plant, regulated substances in naturally occurring hydrocarbon mixtures need not be considered when determining whether more than a threshold quantity is present at a stationary source. Naturally occurring hydrocarbon mixtures include condensate, field gas, and produced water. Based on the updated information provided in XTO's application, River Bend, RBU 6-15E wellsite, RBU 7-15E wellsite, RBU 11-15E wellsite, and Tap-1 Compressor Station do not have regulated substances above the threshold quantities in this rule; and therefore, they are not subject to the requirement to develop and submit a risk management plan.

T. 40 CFR Part 71: Emergency Provisions

In this draft initial Part 71 permit, the EPA is proposing to not include the "Emergency Provisions" contained in the regulations in 40 CFR part 71 applicable to federal operating permit programs. Specifically, in the regulations discussing the contents of Title V operating permits issued under the federal operating permits program, 40 CFR 71.6(g) provides that certain "emergency" events can constitute "an affirmative defense in an action brought for non-compliance" with certain emission limits contained in the permit, when certain conditions are met. However, nothing in the CAA or 40 CFR part 71 requires that these types of emergency provisions be included as conditions in operating permits issued by the EPA, and for the reasons discussed below, we are exercising our discretion not to include them in this draft initial Part 71 permit.

In 2014, a federal court ruled that the CAA does not authorize the EPA to create affirmative defense provisions applicable to certain enforcement actions. *See NRDC v. EPA,* 749 F.3d 1055 (D.C. Cir. 2014). The court ruled that sections 113 and 304 of the CAA preclude the EPA from creating affirmative defense provisions in the Agency's regulations imposing HAP emission limits on sources. The court concluded that those affirmative defense provisions purported to alter the jurisdiction of federal courts generally provided in the CAA to assess liability and impose penalties for violations of emission limits in private civil enforcement cases, and that the CAA did not provide authority for the EPA to do so. Consistent with the reasoning in the *NRDC v. EPA* court decision, the EPA has determined that it is also not appropriate under the CAA to alter the jurisdiction of the federal courts through affirmative defenses provisions in its Title V regulations, such as those contained in the emergency provisions of 40 CFR 71.6(g), and that such provisions are inconsistent with the CAA. In light of the above-described D.C. Circuit Court decision and the EPA's obligation to issue Title V permits consistent with the applicable requirements of the Act, it is no longer appropriate to propose to include permit conditions modeled on affirmative defenses such as those contained in the emergency provisions of 40 CFR 71.6(g) in operating permits issued by the EPA.

Although the EPA views the Part 71 emergency provisions as discretionary (i.e., neither the statute nor the regulations mandate their inclusion in Part 71 permits), the EPA is considering whether to make changes to the Part 71 Permit Program regulations in order to ensure the EPA's regulations are consistent with the recent D.C. Circuit decisions; and if so, how best to make those changes. Until that time, as part of the normal permitting process, it is appropriate for the EPA permitting authorities to rely on the discretionary nature of the existing emergency provisions to choose not to continue to include permit terms modeled on those provisions in Part 71 permits that we are issuing in the first instance or renewing. By doing so, we are not only fulfilling the EPA's obligation to issue Title V permits consistent with the applicable requirements of the Act, but we will also help ensure that permittee's do not continue to rely on permit provisions that have been found legally invalid.

Accordingly, in this draft initial Part 71 permit, the EPA is exercising its discretion to not include the "Emergency Provisions," in order to ensure the Part 71 permit is in compliance with the applicable requirements of the Act.

III. EPA Authority

Title V of the CAA requires that the EPA promulgate, administer and enforce a federal operating permit program when a state does not submit an approvable program within the time frame set by Title V or does not adequately administer and enforce its EPA-approved program. On July 1, 1996 (61 FR 34202), the EPA adopted regulations codified at 40 CFR part 71 setting forth the procedures and terms under which the agency would administer a federal operating permit program. These regulations were updated on February 19, 1999 (64 FR 8247) to incorporate the EPA's approach for issuing federal operating permits to stationary sources in Indian country.

As described in 40 CFR 71.4(a), the EPA will implement a Part 71 program in areas where a state, local, or tribal agency has not developed an approved Part 70 program. Unlike states, tribes are not required to develop operating permits programs, though the EPA encourages tribes to do so. See, e.g., Indian Tribes: Air Quality Planning and Management (63 FR 7253, February 12, 1998) (also known as the "Tribal Authority Rule"). Therefore, within Indian country, the EPA will administer and enforce a Part 71 federal operating permit program for stationary sources until a tribe receives approval to administer their own operating permit program. The Ute Indian Tribe has not applied for or received delegation of Part 71 or approval to administer their own operating permit program under 40 CFR part 70, so the EPA administers Part 71 within the exterior boundaries of the Uintah and Ouray Indian Reservation.

IV. Use of All Credible Evidence

Determinations of deviations, continuous or intermittent compliance status, or violations of the permit are not limited to the testing or monitoring methods required by the underlying regulations or this permit; other credible evidence (including any evidence admissible under the

Federal Rules of Evidence) must be considered by the Permittee and the EPA in such determinations.

V. Public Participation

A. Public Notice

As described in 40 CFR 71.11(a)(5), all Part 71 draft operating permits shall be publicly noticed and made available for public comment. The public notice of permit actions and public comment period is described in 40 CFR 71(d).

There will be a 30-day public comment period for actions pertaining to a draft permit. Notification will be given for this draft permit by providing notice to the permit applicant, the affected state, tribal and local air pollution control agencies, the city and county executives, and the state and federal land managers which have jurisdiction over the area where the source is located, as well as to all persons who have submitted a request to be included on the mailing list.

If you would like to be added to our mailing list to be informed of future Part 71 permit actions or other CAA permits issued in Indian country, please send an email using the link for the Region 8 CAA public comment opportunities provided at [HYPERLINK "https://www.epa.gov/caa-permitting/caa-permit-public-comment-opportunities-region-8"], or send your name and address to the contact listed below:

Part 71 Permitting Lead
U.S. Environmental Protection Agency, Region 8
1595 Wynkoop Street (8P-AR)
Denver, Colorado 80202-1129

Public notice will be provided at [HYPERLINK "https://www.epa.gov/caa-permitting/caa-permit-public-comment-opportunities-region-8"] giving opportunity for public comment on the draft permit and the opportunity to request a public hearing.

B. Opportunity to Comment

Members of the public are given an opportunity to review a copy of the draft permit prepared by the EPA, the application, this Statement of Basis for the draft permit and all supporting materials for the draft permit. Copies of these documents are available at:

Uintah County Clerk's Office
147 East Main St #6
Vernal, Utah 84078
Contact: Michael Wilkins, Uintah County Clerk at (435) 781-5361 or [HYPERLINK "mailto:mwilkins@co.uintah.ut.us"]

and

Ute Indian Tribe Energy and Minerals Department Office
988 South 7500 East, Annex Building
Fort Duchesne, Utah 84026
Contact: Minnie Grant, Air Coordinator, at (435) 725-4900 or [HYPERLINK "mailto:minnieg@utetribe.com"]

and

U.S. Environmental Protection Agency, Region 8
1595 Wynkoop Street (8P-AR)
Denver, Colorado 80202-1129
Contact: Eric Wortman, Environmental Scientist, at (617) 918-1624 or [HYPERLINK "mailto:wortman.eric@epa.gov"]

All documents are available for review at the Region 8 office Monday through Friday from 8:00 a.m. to 4:00 p.m. (excluding federal holidays). Electronic copies of the draft permit, statement of basis and supporting permit record may also be viewed at: [HYPERLINK "https://www.epa.gov/caa-permitting/caa-permit-public-comment-opportunities-region-8"].

Any interested person may submit written comments on the draft Part 71 operating permit during the public comment period to the Part 71 Permitting Lead at the address listed in Section A above, or by email using the instructions on the public comment opportunities web site address listed above. All comments will be considered and answered by the EPA in making the final decision on the permit. The EPA keeps a record of the commenters and of the issues raised during the public participation process.

Anyone, including the applicant, who believes any condition of the draft permit is inappropriate should raise all reasonable ascertainable issues and submit all arguments supporting their position by the close of the public comment period. Any supporting materials submitted must be included in full and may not be incorporated by reference, unless the material has already been submitted as part of the administrative record in the same proceeding or consists of state or federal statutes and regulations, EPA documents of general applicability or other generally available reference material.

The final permit will be a public record that can be obtained upon request. A statement of reasons for changes made to the draft permit and responses to comments received will be sent to all persons who comment on the draft permit. The final permit and response to comments document will also be available online at: [HYPERLINK "https://www.epa.gov/caa-permitting/caa-permits-issued-epa-region-8"]. Anyone may request a copy of the final permit at any time by contacting the Tribal Air Permit Program at (800) 227–8917 or by sending an email to [HYPERLINK "mailto:r8airpermitting@epa.gov"].

C. Opportunity to Request a Hearing

A person may submit a written request for a public hearing to the Part 71 Permitting Lead, U.S.

EPA Region 8, by stating the nature of the issues to be raised at the public hearing. Based on the number of hearing requests received, the EPA will hold a public hearing whenever it finds there is a significant degree of public interest in a draft operating permit. The EPA will provide public notice of the public hearing. If a public hearing is held, any person may submit oral or written statements and data concerning the draft permit.

D. Appeal of Permits

Within 30 days after the issuance of a final permit decision, any person who filed comments on the draft permit or participated in the public hearing may petition to the Environmental Appeals Board (EAB) to review any condition of the permit decision. Any person who failed to file comments or participate in the public hearing may petition for administrative review, only if the changes from the draft to the final permit decision or other new grounds were not reasonably foreseeable during the public comment period. The 30-day period to appeal a permit begins with the EPA's service of the notice of the final permit decision.

The petition to appeal a permit must include a statement of the reasons supporting the review, a demonstration that any issues were raised during the public comment period, a demonstration that it was impracticable to raise the objections within the public comment period, or that the grounds for such objections arose after such a period. When appropriate, the petition may include a showing that the condition in question is based on a finding of fact or conclusion of law which is clearly erroneous; or, an exercise of discretion, or an important policy consideration that the EAB should review.

The EAB will issue an order either granting or denying the petition for review, within a reasonable time following the filing of the petition. Public notice of the grant of review will establish a briefing schedule for the appeal and state that any interested person may file an amicus brief. Notice of denial of review will be sent only to the permit applicant and to the person requesting the review. To the extent review is denied, the conditions of the final permit decision become final agency action.

A motion to reconsider a final order shall be filed within ten days after the service of the final order. Every motion must set forth the matters claimed to have been erroneously decided and the nature of the alleged errors. Motions for reconsideration shall be directed to the Administrator rather than the EAB. A motion for reconsideration shall not stay the effective date of the final order unless it is specifically ordered by the EAB.

E. Petition to Reopen a Permit for Cause

Any interested person may petition the EPA to reopen a permit for cause, and the EPA may commence a permit reopening on its own initiative. The EPA will only revise, revoke and reissue, or terminate a permit for the reasons specified in 40 CFR 71.7(f) or 71.6(a)(6)(i). All requests must be in writing and must contain facts or reasons supporting the request. If the EPA decides the request is not justified, it will send the requester a brief written response giving a reason for the decision. Denial of these requests is not subject to public notice, comment, or hearings. Denials can be informally appealed to the EAB by a letter briefly setting forth the

relevant facts.